



OANHSS

***Bill 16, An Act to Implement 2010 Budget
Measures and to Enact or Amend Various Acts
– Review of Schedules 16 and 25***

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Ontario Association of Non-Profit Homes and Services for Seniors



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INTRODUCTION

OANHSS is the provincial Association representing not-for-profit providers of long term care, services and housing for seniors. Our mission is to represent and support our members in providing a continuum of quality not-for-profit long term care, seniors' community services and housing. Our primary role is to provide a forum for effective leadership and support and to represent members' issues with a strong voice so that they remain viable in a competitive and changing environment.

Members include municipal and charitable providers of long term care homes, not-for-profit nursing homes, seniors' housing projects and community service agencies. Member organizations operate over 27,000 long term care beds and over 5,000 seniors' housing units across the province.

OANHSS members strive to deliver services for seniors that facilitate a high quality of life and state of well being. Through the delivery of a full continuum of not-for-profit services, OANHSS members recognize the diverse and varying needs of seniors and attempt to meet these needs.



THE ISSUES

1. *Schedule 16, Local Health System Integration Act, 2006*

Process - Timeline

In 2004, the government's Transformation Agenda set in motion a number of changes needed to achieve an improved health care system.

The *Local Health System Integration Act, 2006* (LHSIA) received Royal Assent on March 28, 2006, and the LHINs were established as Crown Agencies. Under this Act, many of the Ministry's responsibilities were transferred to the LHINs, with the Ministry stepping back into a system stewardship role.

While the Act provided LHINs with authority to assume all responsibility for planning, funding, and integrating health services in their geographic areas, a sector specific schedule was outlined through regulation enabling a stepped approach.

Under the LHSIA Regulation, the LHINs were to develop Long-Term Care Home Service Accountability Agreements (L-SAA) by March 31, 2010. In December 2009, the Ministry announced that the accountability agreements would come into effect on a timeline allowing alignment with the new *Long-Term Care Homes Act*, and this date was postponed to coincide with the proclamation of the new *Long-Term Care Homes Act* (July 1, 2010).

Following proclamation of the LHSIA, the LHINs focused on management of programs and services initially and in 2007, expanded their functional role to include responsibility for funding.

Long Term Care Accountability Agreements

The accountability agreements currently under development are intended to support a focus on performance and accountability and are linked to performance/outcome measures. This approach is in close alignment with provincial planning and priorities (such as the Ministry's performance improvement focus) and the LHIN Integrated Health Service Plan.

To achieve desired targets, a number of schedules will be attached to the accountability agreements. These will include descriptions of service, service plans, reporting requirements, directives, guidelines and policies, performance indicators, and a template for project funding.

The agreements are also intended to facilitate and empower collaboration, cooperation and integration activities within the LHINs, and will be for set time periods.



Current Situation

With the proclamation of the *Long-Term Care Homes Act* and Regulation scheduled for July 1, 2010, the LHINs are expected to enter into accountability agreements with each long term care home.

The Ministry will retain authority for major capital and for establishing the per diem rate and per diem envelopes for long term care homes. Further, the Ministry will continue to have responsibility for establishing care standards, and for compliance enforcement, but will inform the LHINs of non-compliance that may raise financial or other issues which would fall in the areas of LHIN responsibility.

The LHINs, government and stakeholders are working collaboratively to establish a template for the service accountability agreements that will be utilized in the long term sector between the LHINs and each service provider. At present the draft template is near completion, but not yet finalized.

Position

The LHINs have not exercised their full authority over the long term care sector to date. We expect the accountability agreements to be put into effect upon proclamation of the Act, July 1, 2010.

In order for a review of the LHSIA to be meaningful and of value, the sector needs to be fully transitioned to the LHINs. Accordingly, for purposes of the long term care sector, OANHSS supports the amendment to Clause 39(1)(a).



2. *Schedule 25, Public Sector Compensation Restraint to Protect Public Services Act, 2010*

Background

The *Public Service Compensation Restraint Act*, (PSCRA), which was introduced as part of the Ontario Provincial Budget Bill freezes the salaries of non-unionized employees within the public service as well as government transfer payment organizations that receive more than \$1 million dollars in government monies.

Within the publicly-funded long term care sector there are 622 homes. The only homes that are directly captured by the Bill are the 153 charitable homes and not-for-profit nursing homes.

Exempted by the Bill are:

- municipal homes (103), and
- for-profit homes (355),

which do not fall under the *Public Sector Salary Disclosure Act* and therefore do not align with the provisions of the Bill.

Not-for Profit Sector Inequitably Singled Out

As previously noted, only the not-for-profit homes under the *Charitable Institutions Act* and the *Nursing Homes Act* will be impacted under this proposed legislation, despite the fact that as of July 1, 2010, all long term care homes will be under a single piece of legislation, namely, the *Long-Term Care Homes Act*.

Most of the homes in the not-for-profit sector are unionized. It is predominantly the management group and a few other positions that are non-unionized. A small percentage of homes have no union contracts whatsoever and these homes will be the most affected by the proposed legislation. Under the *PSCRA*, non-unionized employees will have their compensation levels frozen for the next two years with no opportunity to catch up at the end of that period.

It is well known that Ontario is experiencing a severe shortage of healthcare workers of every type and profession. Our long term care homes find themselves in a very competitive environment to recruit and retain staff. This is particularly the case when it comes to hiring and retaining professional staff such as Registered Practical Nurses and Registered Nurses since compensation levels in long term care homes are generally lower than those in the acute care sector.

Many not-for-profit homes do everything they can to enhance bedside care, including topping up government funding from the Ministry of Health and Long-Term Care with their own contribution to care from charitable donations. But even at that, many of our homes cannot compete in the health human resources marketplace due to funding constraints.

Any charitable home or not-for-profit nursing home will find it difficult to retain and attract staff in non-unionized groups. Salary levels will remain out of synch with the rest of the long term care homes sector as other homes outside of the provisions of the Act are able to provide regular increases.

This is particularly unfair because every long term care home regardless of whether it is a for-profit nursing home, municipal home, charitable home or not-for-profit nursing home, is funded in exactly the same way by the Ministry.

We see no other solution but to treat not-for-profit homes in the same manner as for-profit and municipal homes, and request that not-for-profit homes be exempt under the provisions of the PSCRA. To do otherwise would contradict the spirit of the new *Long-Term Care Homes Act* which states in its preamble that “this government is committed to the promotion of the delivery of long-term care home services by not-for-profit organizations”. The government has suggested that the situation can be addressed through the funding of long term care homes by MOHLTC. OANHSS sees no way in which the funding mechanisms can be used for this purpose.

If the Act is not amended, we envision that the not-for-profit long term care homes sector will lose its ability to attract and retain staff in an already extremely competitive long term care environment.